

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1601
ANSWERED ON:27.11.2007
LOAN FOR SELF EMPLOYMENT
Ramadass Prof. M;Shiwankar Shri Maha Deo Rao

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether any scheme to provide loans for self employment to the handicapped persons and lower income groups is being run by the Khadi and Village Industries Commission (KVIC);
- (b) if so, the details thereof alongwith the number of the persons benefited in each State during each of the last three years, category-wise;
- (c) whether the Government is formulating any new scheme in this regard;
- (d) if so, the details thereof;
- (e) whether the Government has received any complaints of corruption/irregularities under the Scheme; and
- (f) if so, the details thereof during each of the last three years, State and Union Territory-wise; and
- (g) the action taken by the Government thereon?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) & (b): The Khadi and Village Industries Commission (KVIC) has been implementing a Central sector credit-linked subsidy programme, titled the Rural Employment Generation Programme (REGP), in collaboration with the Khadi and Village Industries Boards (KVIBs) of the respective States/Union Territories (UTs). Under this Programme, eligible entrepreneurs are assisted in establishing village industries, by availing of loans from public sector scheduled commercial banks, selected regional rural banks, cooperative banks, etc., and also margin money assistance (subsidy) from the KVIC, for projects with a maximum cost of Rs. 25 lakh. Entrepreneurs belonging to the categories of scheduled castes, scheduled tribes, other backward classes, physically handicapped, ex-servicemen, women, etc., are entitled to a higher margin money assistance. The State/Union Territory- wise number of the total village industry units set up under the REGP along with the number of village industry units set up by the physically handicapped persons, during 2004-05, 2005-06 and 2006-07 are given in the Annex.

(c): No, Sir.

(d): Does not arise.

(e) to (g) KVIC has reported that two complaints (one each from Assam and West Bengal) have been brought to their notice during the last three years regarding alleged irregularities/misutilisation of margin money and both are under investigation in KVIC.